

**AMENDMENT TO H.R. 2799, AS REPORTED
OFFERED BY MR. HUIZENGA OF MICHIGAN**

Add at the end the following:

1 **DIVISION D—IMPROVING**
2 **DISCLOSURE FOR INVESTORS**

3 **SEC. 4001. SHORT TITLE.**

4 This division may be cited as the “Improving Disclo-
5 sure for Investors Act of 2024”.

6 **SEC. 4002. ELECTRONIC DELIVERY.**

7 (a) **PROMULGATION OF RULES.**—Not later than 180
8 days after the date of the enactment of this section, the
9 Securities and Exchange Commission shall propose and,
10 not later than 1 year after the date of the enactment of
11 this section, the Commission shall finalize, rules, regula-
12 tions, amendments, or interpretations, as appropriate, to
13 allow a covered entity to satisfy the entity’s obligation to
14 deliver regulatory documents required under the securities
15 laws to investors using electronic delivery.

16 (b) **REQUIRED PROVISIONS.**—Rules, regulations,
17 amendments, or interpretations the Commission promul-
18 gates pursuant to subsection (a) shall:

1 (1) With respect to investors that do not receive
2 all regulatory documents by electronic delivery, pro-
3 vide for—

4 (A) delivery of an initial communication in
5 paper form regarding electronic delivery;

6 (B) a transition period not to exceed 180
7 days until such regulatory documents are deliv-
8 ered to such investors by electronic delivery;
9 and

10 (C) during a period not to exceed 2 years
11 following the transition period set forth in sub-
12 paragraph (B), delivery of an annual notice in
13 paper form solely reminding such investors of
14 the ability to opt out of electronic delivery at
15 any time and receive paper versions of regu-
16 latory documents.

17 (2) Set forth requirements for the content of
18 the initial communication described in paragraph
19 (1)(A).

20 (3) Set forth requirements for the timing of de-
21 livery of a notice of website availability of regulatory
22 documents and the content of the appropriate notice
23 described in subsection (h)(3)(B).

1 (4) Provide a mechanism for investors to opt
2 out of electronic delivery at any time and receive
3 paper versions of regulatory documents.

4 (5) Require measures reasonably designed to
5 identify and remediate failed electronic deliveries of
6 regulatory documents.

7 (6) Set forth minimum requirements regarding
8 readability and retainability for regulatory docu-
9 ments that are delivered electronically.

10 (7) For covered entities other than brokers,
11 dealers, investment advisers registered with the
12 Commission, and investment companies, require
13 measures reasonably designed to ensure the con-
14 fidentiality of personal information in regulatory
15 documents that are delivered to investors electroni-
16 cally.

17 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
18 tion shall be construed as altering the substance or timing
19 of any regulatory document obligation under the securities
20 laws or regulations of a self-regulatory organization.

21 (d) TREATMENT OF REVISIONS NOT COMPLETED IN
22 A TIMELY MANNER.—If the Commission fails to finalize
23 the rules, regulations, amendments, or interpretations re-
24 quired under subsection (a) before the date specified in
25 such subsection—

1 (1) a covered entity may deliver regulatory doc-
2 uments using electronic delivery in accordance with
3 subsections (b) and (c); and

4 (2) such electronic delivery shall be deemed to
5 satisfy the obligation of the covered entity to deliver
6 regulatory documents required under the securities
7 laws.

8 (e) OTHER REQUIRED ACTIONS.—

9 (1) REVIEW OF RULES.—The Commission
10 shall—

11 (A) within 180 days of the date of enact-
12 ment of this Act, conduct a review of the rules
13 and regulations of the Commission to determine
14 whether any such rules or regulations require
15 delivery of written documents to investors; and

16 (B) within 1 year of the date of enactment
17 of this Act, promulgate amendments to such
18 rules or regulations to provide that any require-
19 ment to deliver a regulatory document “in writ-
20 ing” may be satisfied by electronic delivery.

21 (2) ACTIONS BY SELF-REGULATORY ORGANIZA-
22 TIONS.—Each self-regulatory organization shall
23 adopt rules and regulations, or amend the rules and
24 regulations of the self-regulatory organization, con-
25 sistent with this Act and consistent with rules, regu-

1 lations, amendments, or interpretations finalized by
2 the Commission pursuant to subsection (a).

3 (3) RULE OF APPLICATION.—This subsection
4 shall not apply to a rule or regulation issued pursu-
5 ant to a Federal statute if that Federal statute spe-
6 cifically requires delivery of written documents to in-
7 vestors.

8 (f) DEFINITIONS.—In this section:

9 (1) COMMISSION.—The term “Commission”
10 means the Securities and Exchange Commission.

11 (2) COVERED ENTITY.—The term “covered en-
12 tity” means—

13 (A) an investment company (as defined in
14 section 3(a)(1) of the Investment Company Act
15 of 1940 (15 U.S.C. 80a–3(a)(1))) that is reg-
16 istered under such Act;

17 (B) a business development company (as
18 defined in section 2(a) the Investment Company
19 Act of 1940 (15 U.S.C. 80a–2(a))) that has
20 elected to be regulated as such under such Act;

21 (C) a registered broker or dealer (as de-
22 fined in section 3(a)(4) and section 3(a)(5) of
23 the Securities Exchange Act of 1934) (15
24 U.S.C. 78c(a)(4) & 78c(a)(5));

1 (D) a registered municipal securities dealer
2 (as defined in section 3(a)(30) of the Securities
3 Exchange Act of 1934) (15 U.S.C. 78c(a)(30));

4 (E) a registered government securities
5 broker or government securities dealer (as de-
6 fined in section 3(a)(43) and section 3(a)(44) of
7 the Securities Exchange Act of 1934) (15
8 U.S.C. 78c(a)(43) & 78c(a)(44));

9 (F) a registered investment adviser (as de-
10 fined in section 202(a)(11) of the Investment
11 Advisers Act of 1940) (15 U.S.C. 80b-
12 1(a)(11));

13 (G) a registered transfer agent (as defined
14 in section 3(a)(25) of the Securities Exchange
15 Act of 1934) (15 U.S.C. 78c(a)(25)); or

16 (H) a registered funding portal (as defined
17 in the second paragraph (80) of section 3(a) of
18 the Securities Exchange Act of 1934) (15
19 U.S.C. 78c(a)(80)).

20 (3) ELECTRONIC DELIVERY.—The term “elec-
21 tronic delivery”, with respect to regulatory docu-
22 ments, includes—

23 (A) the direct delivery of such regulatory
24 document to an electronic address of an inves-
25 tor;

1 (B) the posting of such regulatory docu-
2 ment to a website and direct electronic delivery
3 of an appropriate notice of the availability of
4 the regulatory document to the investor; and

5 (C) an electronic method reasonably de-
6 signed to ensure receipt of such regulatory doc-
7 ument by the investor.

8 (4) REGULATORY DOCUMENTS.—The term
9 “regulatory documents” includes—

10 (A) prospectuses meeting the requirements
11 of section 10(a) of the Securities Act of 1933
12 (15 U.S.C. 77j(a));

13 (B) summary prospectuses meeting the re-
14 quirements of—

15 (i) section 230.498 of title 17, Code of
16 Federal Regulations; or

17 (ii) section 230.498A of title 17, Code
18 of Federal Regulations;

19 (C) statements of additional information,
20 as described under section 270.30e–3(h)(3) of
21 title 17, Code of Federal Regulations;

22 (D) annual and semi-annual reports to in-
23 vestors meeting the requirements of section
24 30(e) of the Investment Company Act of 1940
25 (15 U.S.C. 80a–29(e));

1 (E) notices meeting the requirements
2 under section 270.19a–1 of title 17, Code of
3 Federal Regulations;

4 (F) confirmations and account statements
5 meeting the requirements under section
6 240.10b–10 of title 17, Code of Federal Regula-
7 tions;

8 (G) proxy statements meeting the require-
9 ments under section 240.14a–3 of title 17,
10 Code of Federal Regulations;

11 (H) privacy notices meeting the require-
12 ments of Regulation S–P under subpart A of
13 part 248 of title 17, Code of Federal Regula-
14 tions;

15 (I) affiliate marketing notices meeting the
16 requirements of Regulation S–AM under sub-
17 part B of part 248 of title 17, Code of Federal
18 Regulations; and

19 (J) all other regulatory documents re-
20 quired to be delivered by covered entities to in-
21 vestors under the securities laws and the rules
22 and regulations of the Commission and the self-
23 regulatory organizations.

24 (5) SECURITIES LAWS.—The term “securities
25 laws” has the meaning given the term in section

1 3(a) of the Securities Exchange Act of 1934 (15
2 U.S.C. 78c(a)).

3 (6) SELF-REGULATORY ORGANIZATION.—The
4 term “self-regulatory organization” means—

5 (A) a self-regulatory organization, as de-
6 fined in section 2(a)(26) of the Securities Ex-
7 change Act of 1934 (15 U.S.C. 78c(a)(26));
8 and

9 (B) the Municipal Securities Rulemaking
10 Board.

11 (7) WEBSITE.—The term “website” means an
12 internet website or other digital, internet, or elec-
13 tronic-based information repository, such as a mobile
14 application, to which an investor of a covered entity
15 has been provided reasonable access.

